

CITY COUNCIL MEETING
AUGUST 19, 1987

AWARD BID FOR
PURCHASE OF 60-12
KV POWER
TRANSFORMER

RES. NO. 87-104
CC-12(d)

City Manager Peterson presented the following bids which had been received for one 60-12 KV Power Transfer:

PRICE INCL.TAX WITHOUT SPARE PARTS	PRICE FOR SPARE PARTS INCL.TX.	"A" PRICE WITH MANUFAC. STANDARD PAINT INC. SPARE PARTS & TAX	"B" COST OF LOSSES	"A" + "B" LIFE-CYCLE COST
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ASEA Electric

\$301,980.22 \$2,994.50 \$294,374.72 \$103,680.00 \$398,054.72

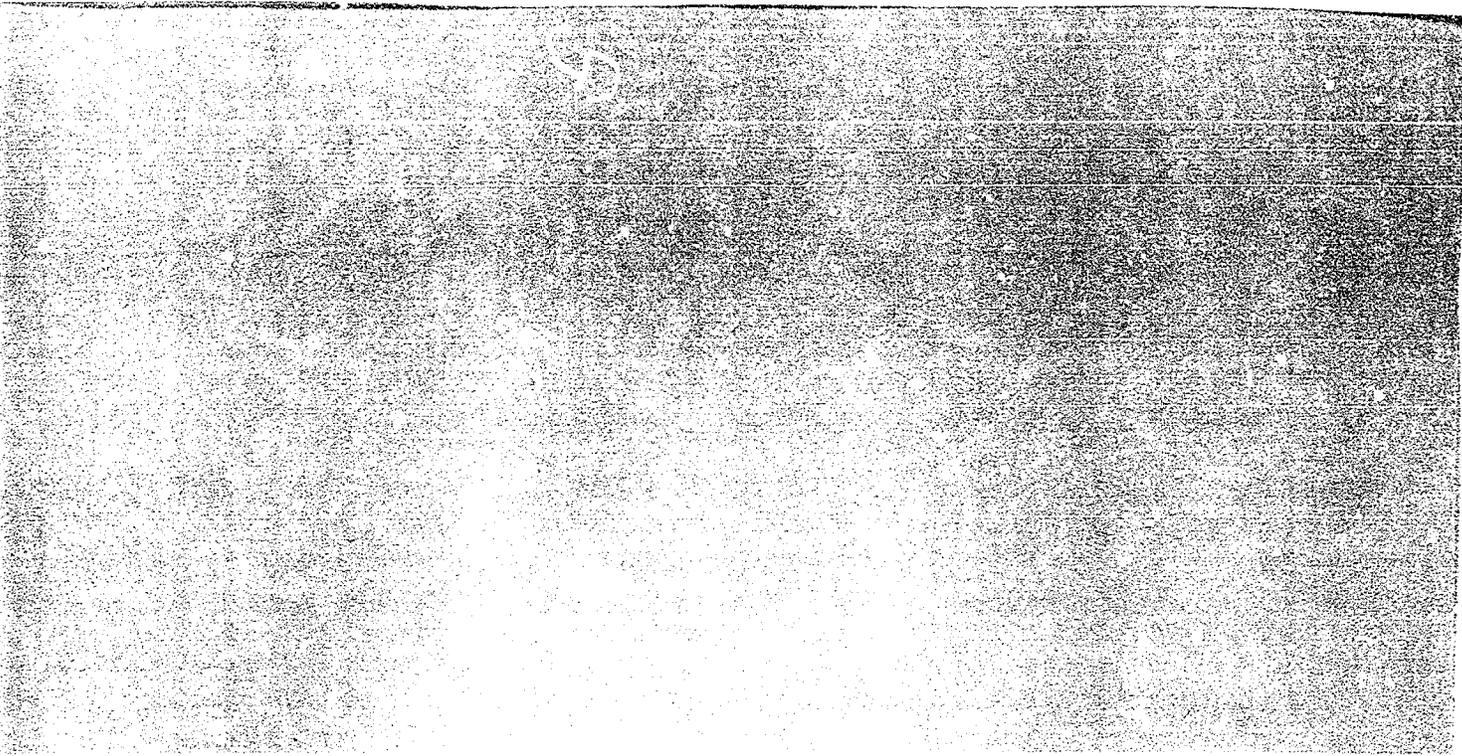
Westinghouse Electric Supply Co.

\$324,435.26 \$3,023.12 \$304,138.38 \$ 97,295.00 \$401,433.38

General Electric Supply Co.

\$318,650.84 \$2,347.90 \$320,998.74 \$ 91,070.00 \$412,068.74

On recommendation of the City Manager, Council adopted Resolution No. 87-104 awarding the bid for the purchase of a 60-12 KV Power Transformer to ASEA Electric in the amount of \$294,374.72.



COUNCIL COMMUNICATION

TO: THE CITY COUNCIL	DATE	NO.
FROM: THE CITY MANAGER'S OFFICE	August 19, 1987	
SUBJECT: PURCHASE 60-12 KV POWER TRANSFORMER (EU7-87-5)		

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the bid to the low bidder ASEA Electric in the amount of \$294,374.72.

BACKGROUND INFORMATION: This power transformer will be installed at McLane Substation as a part of the Phase 2 development now in progress. The second McLane Substation transformer is required to supply the area load, including a large industrial load now being developed.

Transformers are evaluated by combining the purchase price with the life-cycle cost of transformer losses. Column "B" is the dollar value associated with these losses based on design data supplied by the bidders. The recommended award is then based on the bidder supplying unit(s) having the minimum total life-cycle cost, i.e. Column "A + B."

The specifications for this unit made reference to a specific process and brand of paint to establish quality and color. This reference was qualified by the term "or equal." Some of the bids submitted contained a deduct in price, if the City would accept the manufacturer's standard paint process when equal in quality to the referenced paint process.

The specifications also included various spare parts for the unit. The cost for the spare parts was not to be included with the bid price, but to be submitted with the bid as a separate item. The award, as recommended, is based on the lowest life-cycle cost unit including spare parts and a deduct for the manufacturer's standard paint process.

It should be noted that the low bidder would remain low bidder even if the referenced paint process would have been recommended.

Funding for this purchase is included in the Electric Utility Department's 1987-88 budget. The estimate for this purchase was \$310,000.



Henry J. Ride
Electric Utility Director

Attach.

cc: Assist. Electric Utility Director
Electrical Engineer
Purchasing Officer

RESOLUTION NO. 87-104

AWARD - PURCHASE OF 60-12 KV POWER TRANSFORMER

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened by the City Clerk of this City on August 4, 1987 at 11:00 a.m. for the contract for purchase of 60-12 KV Power Transformer, described in the specifications therefor approved by the City Council June 17, 1987; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Bidder</u>	<u>Amount</u>
General Electric Supply	\$318,651.00
Westinghouse Electric Corp.	\$324,435.00
ASEA Electric	\$284,887.00

WHEREAS, the City Manager recommends that award for the contract for purchase of 60-12 KV Power Transformer, be made to the low bidder, ASEA Electric.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that award of contract for purchase of 60-12 KV Power Transformer be and the same is hereby made to ASEA Electric, the low bidder, in the amount of \$294,374.72.

Dated: August 19, 1987

I hereby certify that Resolution No. 87-104 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 19, 1987 by the following vote:

Ayes: Council Members - Hinchman, Pinkerton, Reid, and Olson (Mayor)

Noes: Council Members - None

Absent: Council Members - Snyder

Alice M. Reimche
Alice M. Reimche
City Clerk

EUR-87-5

60-12 KV POWER TRANSFORMER BID EVALUATION

Supplier	Price Incl. Tax Without Spare Parts	Price for Spare Parts Incl. Tax	"A" Price With Manufacturer's Standard Paint Including Spare Parts and Tax	"B" Cost of Losses	"A" + "B" Life-Cycle Cost	Delivery (Weeks)
ASEA Electric Waukesha, WI	\$301,980.22	\$2,994.50	<u>\$294,374.72</u>	\$103,680.00	\$398,054.72	45
Westinghouse Electric Supply Co. Concord, CA	324,435.26	023.12	304,138.38	97,295.00	401,433.38	28
General Electric Supply Co. Emeryville, CA	318,650.84	2,347.90	320,998.74	91,070.00	412,068.74	40